

Summary

Policy Objectives

Addresses how the Project Management Institute of New Zealand (PMINZ) will minimize risk to PMINZ and to individuals by establishing a mechanism to recognize and respond to conflicts of interest, potential conflicts of interest and apparent conflicts of interest of individuals (PMINZ members) in the day-to-day business of PMINZ.

It should be noted that apparent conflicts of interest are as problematic as actual conflicts of interest and must be resolved just as quickly.

Policy

1.0 Introduction

- a. This policy identifies those actions required by PMINZ volunteers (both members and non-members) to minimize and control conflicts of interest and perceived conflicts of interest.
- b. Volunteers, from time to time, will be involved in PMINZ activities that are related (directly or indirectly) to their business and financial interests.
- c. It is not necessarily in PMINZ's best interest to prohibit all participation by individuals with a conflict of interest, potential conflicts of interest or perceived conflicts of interest because, in many cases, knowledge of the conflict of interest can be managed to mitigate the risk to PMINZ and the individual.

2.0 Definition of a Conflict of Interest

- a. Is a transaction in which, because either the individual is, directly or indirectly, a party to the transaction or possible beneficiary of the transaction, there is or may be a conflict between the individual's obligations to PMINZ and the individual's personal or business interests.

3.0 Authority

- a. The PMI Code of Ethics and Professional Conduct requires that individuals abide by the bylaws, policies, rules, requirements, and procedures of PMI, and will not knowingly engage or assist in activities intended to compromise the integrity, reputation, property, and/or legal rights of the Institute.
- b. The New Zealand Chapter of PMI is bound by the PMI Ethics policy and this takes precedence over the chapter policy in all circumstances except where New Zealand law applies.

4.0 Policy Statements

- a. Participation on a PMINZ Volunteer Group constitutes acceptance of the terms of this Policy and its requirements.
- b. Conflicts of interest may result from corporate or company, personal, and family business interests and relationships that may involve or relate to PMINZ in any way.
- c. No individual shall use their position or knowledge gained from participation in a manner that conflict with the interests of PMINZ or any of its components.
- d. No officer, director, appointed committee member or authorized representative except for contracted administrative support services, or the provision of teaching services for the chapter shall receive any compensation, or other tangible or financial benefit.

Are there any exceptions to this rule?

Yes, the Board may authorize payment by the Treasurer of actual and reasonable expenses incurred or reasonable fees for such service.

- e. Members of the New Zealand PMI chapter shall not be eligible to receive any pecuniary gain, benefit or profit, incidental or otherwise, from the activities, financial accounts and resources of the chapter with these exceptions:

Exceptions to the PMINZ Conflict of Interest Policy.

1. Members who provide training may receive a payment for those services at a rate established and approved by the Board.
2. Members may, upon Board approval, be retained and paid to provide administrative support services.

5.0 Policy Usage

- a. Care needs to be taken to avoid overuse or misuse of this policy. PMINZ requires integrity to function properly but over-use of the requirement to disclose/report breaches or perceived breaches may discourage participation by otherwise qualified volunteers and result in volunteers perceiving they are being harassed.

6.0 Violations of the Conflict of Interest Policy

- a. Apparent violations of this policy, including but not limited to the failure to make adequate and full disclosure, will be forwarded to the appropriate individual as described in PMINZ's Policy on Complaints, and may be further referred to the Ethics Review Committee under PMI's Member Ethics Case Procedures.

7.0 Volunteer Responsibilities and Disclosure

- a. Volunteers (both PMINZ members and non-members) must conduct themselves ethically in respect of PMINZ and its members.
- b. Individuals accountable under this policy must identify those situations where they have a conflict of interest or where a reasonable.
- c. Such disclosure should be made immediately to the Secretary, PMINZ Board. The information provided will be recorded on the Conflict of Interest Database and communicated as required.

8.0 Examples of Conflicts of Interest

An individual, PMINZ member or non-member:

- a.** Has a financial interest in a company that would benefit from the output of the group they are working on.
- b.** Who works for a project management consulting company participates in the development of a standard that specifies how companies should do some aspect of project management.
- c.** Who works for a company conducting PMP® Exam preparation training courses participates in a PMP Exam item writing session.
- d.** Is an officer, director or in a position of responsibility in another PM organisation.
- e.** Who is on an awards committee looks at a recommendation for a company that competes with the company they work for.
- f.** Has an individual's close relative or friend would benefit from the output of the group they are working on.

9.0 Possible Remedies

Remedial action for disclosed conflicts or possible conflicts of interest may include but are not limited to the following:

- a.** Recusal from any decision developed by the group.
- b.** Recusal from the part of the process where a conflict exists, such as not reviewing a competitor's award submittal.
- c.** Replacement on the group.
- d.** Participation as a subject matter expert but not in discussions or deliberations.

10.0 Records Management

- a.** The PMINZ Board, which sponsors, supports or manages PMINZ Volunteer Groups, will review any new disclosures of Conflicts of Interest as they are reported. Any actions required will be noted in the Board minutes.